GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:3801
ANSWERED ON:05.08.2014
CORRUPTION IN PDS
Mahto Dr. Banshilal;Mani Shri Jose K.;Panda Shri Baijayant "Jay";Premachandran Shri N.K.;Rajbhar Shri Hari Narayan;Rathwa Shri Ramsinh Patalyabhai;Scindia Shri Jyotiraditya Madhavrao;Singh Shri Pashupati Nath

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the working of Public Distribution System (PDS) in the States has been severely affected by corruption in the system leading to diversion, black marketing and supply of poor quality foodgrains;

(b) if so, the details thereof indicating the number of such cases reported and the corrective steps taken thereon along with the action taken against those held responsible;

(c) whether the Government has undertaken a project for computerisation of PDS and introduce techniques like smart card, thumb impression, etc. and if so, the details and the present status thereof indicating the nature of assistance provided by the Government to the States;

(d) whether the guidelines issued by the Government for implementation of the computerisation project have been followed by the States and if so, the details thereof and if not, the corrective steps taken in this regard;

(e) whether the Government proposes to launch a nation-wide network system for tracking of the movement of PDS items to check diversion and pilferage and if so, the details thereof; and

(f) the other steps taken to strengthen PDS?

Answer

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI RAOSAHEB PATIL DANVE)

(a) & (b): There have been complaints about irregularities in the functioning of the Targeted Public Distribution System (TPDS) in some States/regions in the country. A total of 282 complaints were received in this Department during the year 2013. TPDS is operated under the joint responsibility of the Central and the State/UT Governments wherein the operational responsibilities for implementation of TPDS within the State/UT rest with the concerned State /UT Governments. Therefore, as and when complaints are received by the Government from individuals and organizations as well as through press reports, these are referred to the State /UT Governments concerned for inquiry and appropriate action. As regards complaints relating to quality, besides forwarding such complaints to State/UT Governments, sometimes these are also investigated through Departmental officers.

In order to maintain supplies and securing availability and distribution of essential commodities, Public Distribution System (Control) Order, 2001 has been notified by the Government which mandates the State and UT Governments to carry out all required action to ensure smooth functioning of TPDS. PDS (Control) Order, 2001 empowers State/UT Governments to take punitive action under clauses 8 & 9 in case of contravention of relevant provisions of the Order. The details regarding action taken under clauses 8 & 9 of the said Order during the year 2013 is as below:

Number of inspections	Number of raids conducted	Number of persons arrested/ prosecuted/ convicted	Licenses suspended/ Cancelled/ Show cause notices issued/	FIR lodged
694096	50596	2970	12691	

The details of action taken in cases of black marketing during the year 2013 under the Essential Commodities Act, 1955 are as below:

No. of raids conducted	No. of persons arrested	No. of persons prosecuted	No. of persons convicted	Value of goods confiscated (Rs. In lakhs)
196092	6056	2862	969	56784.81

Further, in order to ensure that only good quality foodgrains conforming to Food Safety Standards are issued under TPDS and other welfare schemes, there is a well defined procedure of joint inspection/sampling of the stocks by State Government authority and FCI. This Department has also issued instructions to Food Secretaries of all State/UT Governments and FCI to ensure supply of good quality foodgrains under the TPDS.

(c): Yes, Madam. Government has initiated implementation of Component-I of the plan scheme on 'End-to-end Computerisation of Targeted Public Distribution System Operations' during the 12th Five Year Plan (2012-17). Component-I comprises digitization of ration cards/beneficiary and other databases, computerization of supply-chain management, setting up of transparency portal and grievance redressal mechanisms. Under the scheme, financial assistance is being provided to States/UTs on cost sharing basis. The cost is being shared on 90:10 basis with North East States and on 50:50 basis with other States/UTs. A Common Application Software (CAS) has also been got prepared by National Informatics Centre (NIC), which has been offered to all States/UTs. The status of implementation of Component-I is given at Annexure. The use of smart card, biometrics, etc. shall be part of Component-II i.e. Fair Price Shop (FPS) automation. Government has decided that Component-II would be taken up after taking into consideration various factors like coverage and linkage with Unique Identity (UID)/ National Population Register (NPR) data, availability of connectivity at FPSs, finalisation of smart card standards, etc.

(d): Keeping in view clarification sought by States/UTs on various aspects of the scheme and for providing a comprehensive way forward for its implementation, this Department has issued the implementation guidelines for the scheme in September, 2013. While the plan scheme prescribes the key activities of Component-I that are to be implemented by all States/UTs, the implementation guidelines are broadly advisory in nature. This Department is holding regular meetings, video conferences, etc. with all States/UTs to ensure timely implementation of the project.

(e): Component-I of the plan scheme referred above includes computerisation of supply chain management, which inter-alia provides for tracking of the despatch and receipt of TPDS items at various locations like State godowns, FPSs etc. and will help in checking leakage/diversion of foodgrains.

(f): Strengthening and streamlining of TPDS is a continuous process. To improve functioning of TPDS, Government has been regularly issuing advisories and holding conferences wherein State/UT Governments are requested for continuous review of lists of Below Poverty Line (BPL) and Antyodaya Anna Yojana (AAY) families, improving the offtake of allocated foodgrains, ensuring timely availability of foodgrains at Fair Price Shops (FPSs), door step delivery of foodgrains to FPSs, greater transparency in functioning of TPDS, improved monitoring and vigilance at various levels, use of Information and Communication Technology (ICT) tools including end-to-end computerisation of TPDS, improving the viability of FPS operations, etc.